

## 28-4007. Self-insurers

A. Except as provided in subsection E of this section, a person in whose name more than ten motor vehicles are registered or who is required to comply with the financial responsibility requirements prescribed in article 2 of this chapter may qualify as a self-insurer or partial self-insurer by obtaining a certificate of self-insurance or partial self-insurance issued by the director as provided in this section.

B. After determining that the person is financially able and will continue to be able to pay judgments obtained against the person, the director may issue a certificate of self-insurance or partial self-insurance.

C. On not less than five days' notice and after a hearing, the director may cancel a certificate of self-insurance or a certificate of partial self-insurance on reasonable grounds. For the purposes of this subsection, "reasonable grounds" includes any of the following circumstances:

1. Failure to pay a judgment within thirty days after the judgment becomes final.
2. Determination by the director that the person has not complied with the financial responsibility requirements of this chapter.
3. Determination by the director that the person knowingly submitted false information that is required by this chapter to this state, a political subdivision of this state, a court or a law enforcement agency.
4. Determination by the director that the person knowingly failed to respond within thirty days to a claim for damages for liability arising out of the ownership, maintenance or use of a motor vehicle.
5. Determination by the director that the person does not meet the bond requirements prescribed in section 28-4011.

D. A person who is required to comply with the financial responsibility requirements prescribed in article 2 of this chapter may file an application with the department for partial self-insurance to cover any portion of the financial responsibility requirements.

E. A person may also qualify as a self-insurer if the person is insured by a captive insurer that is domiciled and authorized by the department of insurance and financial institutions to transact business in this state and that provides coverage in an amount of at least that required by section 28-4033.

F. A person applying for self-insurance or partial self-insurance pursuant to this section shall comply with both of the following at the time of application:

1. The person shall submit evidence in a form prescribed by the director that the person is financially able and will continue to be able to pay the entire amount of self-insurance or partial self-insurance allowed by the director for judgments obtained against the person for liability arising out of the ownership, maintenance or use of a motor vehicle.
2. If applicable, the person shall submit evidence in a form prescribed by the director that the person has a valid insurance policy that meets the requirements prescribed in section 28-4033 and that is issued by an insurer that holds a valid certificate of authority or that is allowed to transact surplus lines insurance in this state.

G. The director may adopt rules to implement this section, including rules requiring additional evidence that the person meets the financial responsibility requirements of this chapter and rules providing for the periodic submission of evidence demonstrating that the person meets the standards required by the department to qualify as a self-insurer, a captive insurer or partial self-insurer.

H. The director of the department of transportation, in consultation with the director of the department of insurance and financial institutions, may establish procedures that allow a person to apply for and file a certificate

of either partial self-insurance or self-insurance.

I. The director of the department of transportation, in consultation with the director of the department of insurance and financial institutions, shall establish procedures to exchange information regarding changes in the self-insurance status of persons who are subject to this section.